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U.S. Department
of Transportation
Federal Aviation
Administration

Office of Financial Services

OFFICE OF THE
CHIEF COUNSEL
RULES DOCKET

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800 Independence Ave., SW
Washington, DC 20591

FAA 00-7018-25

JUN - 1 2000

David M. O'Connor
Director, Government & Industry Affairs
International Air Transport Association
1776 K St., NW Suite 400
Washington, D.C. 20006

Dear Mr. O'Connor:

Thank you for your letter of May 2, 2000, regarding the FAA's plans to reestablish "overflight" fees for services provided to flights that transit US-controlled airspace without either taking off from, or landing in, the United States. These fees are being reestablished pursuant to authorizing legislation that was enacted originally in 1996 and continues in effect today.

As indicated in my letter of March 8, 2000, we plan to implement the fees through the publication of an Interim Final Rule (IFR) in the Federal Register. We expect publication to occur within the next few days. Once the IFR has been published, we envision a process very similar to that which would be followed in a routine rulemaking under the Administrative Procedures Act.

We expect to make the fees effective on an interim basis approximately 60 days after publication. During those 60 days, and for an additional 60 days, the FAA will accept written comments on the fees. All comments received will be addressed before the fees are made final. We will also have a public meeting on the IFR approximately one month after publication and one month before the interim fees go into effect. This should provide your association adequate opportunity to present its views on the IFR.

A complete set of documents relating to the assignment of costs and the derivation of the fees will be placed in the docket of the IFR when the IFR is published. These documents will be available to the public at that time, and should answer most questions that you and others may have on the determination of costs and the derivation of fees.

I can assure you that the FAA will thoroughly consider your comments concerning the IFR, as well as all others received, before proceeding later with a Final Rule. At any time during this process, I will be happy to meet with you or your representative(s) to answer specific questions you may have on the fees or to hear a presentation of your views.

Sincerely,

Donna McLean
Assistant Administrator for Financial
Services/CFO